

## Tobacco Tax Funds

### DESCRIPTION OF MAJOR SERVICES

The Arrowhead Regional Medical Center established these funds in 1989-1990 to facilitate the transfer of Tobacco Tax funds to the County hospital, Non-County hospitals and Physicians, as required by the State Department of Health Services. The funds will then be disbursed per guidelines established by the state.

These funds are allocated by the state to county hospitals, non-county hospitals, and physicians to partially reimburse them for uncompensated medical services. ARMC is projected to net approximately \$1.17 million from this revenue source in 2004-05, and will transfer the balance to area hospitals in accordance with the prescribed distribution formula.

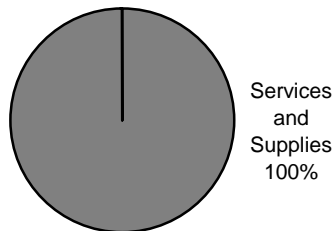
There is no staffing associated with this budget unit.

### BUDGET AND WORKLOAD HISTORY

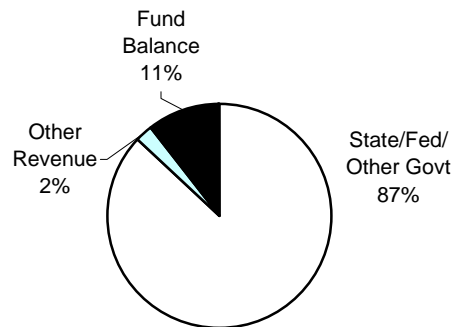
	Actual 2002-03	Budget 2003-04	Actual 2003-04	Final 2004-05
Total Appropriation	3,673,889	4,390,510	2,412,872	1,963,199
Departmental Revenue	3,608,934	3,648,209	1,742,696	1,755,762
Fund Balance		742,301		207,437

Significant variances between actual and budget for 2003-04 existed in both appropriations and revenues due to the state continuing to reduce the amount distributed to counties for Tobacco Tax. The 2004-05 budget assumes a decrease in revenues, consistent with recent trends for receipt of revenue from taxes imposed on tobacco products.

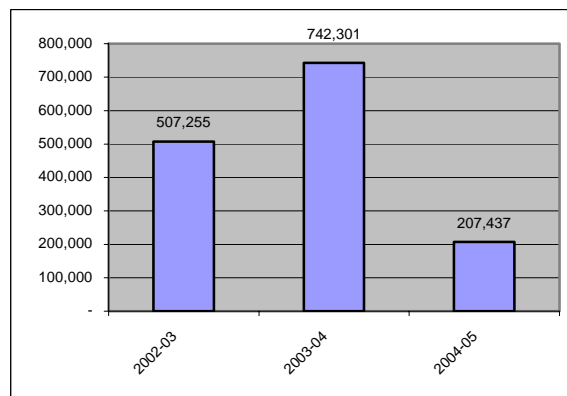
### 2004-05 BREAKDOWN BY EXPENDITURE AUTHORITY



### 2004-05 BREAKDOWN BY FINANCING SOURCE



### 2004-05 FUND BALANCE TREND CHART



GROUP: Administrative/Executive  
 DEPARTMENT: Arrowhead Regional Medical Center  
 FUND: Tobacco Tax Funds

BUDGET UNIT: RGA - RGR  
 FUNCTION: Health and Sanitation  
 ACTIVITY: Hospital Care

	2003-04 Actuals	2003-04 Approved Budget	2004-05 Board Approved Base Budget	2004-05 Board Approved Changes to Base Budget	2004-05 Final Budget
<b>Appropriation</b>					
Services and Supplies	2,412,872	4,390,510	4,390,510	(2,428,073)	1,962,437
Total Appropriation	2,412,872	4,390,510	4,390,510	(2,428,073)	1,962,437
Operating Transfers Out	-	-	-	762	762
Total Requirements	2,412,872	4,390,510	4,390,510	(2,427,311)	1,963,199
<b>Departmental Revenue</b>					
Use of Money and Prop	14,584	145,000	145,000	(99,000)	46,000
State, Fed or Gov't Aid	1,727,418	3,503,209	3,503,209	(1,794,209)	1,709,000
Total Revenue	1,742,696	3,648,209	3,648,209	(1,893,209)	1,755,000
Operating Transfers In	-	-	-	762	762
Total Financing Sources	1,742,696	3,648,209	3,648,209	(1,892,447)	1,755,762
Fund Balance		742,301	742,301	(534,864)	207,437

DEPARTMENT: Arrowhead Regional Medical Center  
 FUND: Tobacco Tax Funds  
 BUDGET UNIT: RGA - RGR

#### SCHEDULE A

#### MAJOR CHANGES TO THE BUDGET

	Budgeted Staffing	Appropriation	Departmental Revenue	Fund Balance
<b>2003-04 FINAL BUDGET</b>	-	4,390,510	3,648,209	742,301
<b>Cost to Maintain Current Program Services</b>				
Salaries and Benefits Adjustments	-	-	-	-
Internal Service Fund Adjustments	-	-	-	-
Prop 172	-	-	-	-
Other Required Adjustments	-	-	-	-
<b>Subtotal</b>	-	-	-	-
<b>Board Approved Adjustments During 2003-04</b>				
30% Spend Down Plan	-	-	-	-
Mid-Year Board Items	-	-	-	-
<b>Subtotal</b>	-	-	-	-
<b>Impacts Due to State Budget Cuts</b>	-	-	-	-
<b>TOTAL BOARD APPROVED BASE BUDGET</b>	-	4,390,510	3,648,209	742,301
<b>Board Approved Changes to Base Budget</b>	-	(2,427,311)	(1,892,447)	(534,864)
<b>TOTAL 2004-05 FINAL BUDGET</b>	-	1,963,199	1,755,762	207,437



## SCHEDULE B

DEPARTMENT: Arrowhead Regional Medical Center  
 FUND: Tobacco Tax Funds  
 BUDGET UNIT: RGA - RGR

## BOARD APPROVED CHANGES TO BASE BUDGET

Brief Description of Board Approved Changes	Budgeted Staffing	Appropriation	Departmental Revenue	Fund Balance
1. Decrease Services and supplies Decrease appropriations to reflect a lower state allocation and a decrease in fund balance.	-	(2,506,733)	-	(2,506,733)
<b>** Final Budget Adjustment - Fund Balance</b> <b>Services and supplies increased due to a higher than anticipated fund balance.</b>	-	<b>78,660</b>	-	<b>78,660</b>
2. Decrease in tobacco revenues The 2003-04 state allocation was significant lower than anticipated. This adjustment reflects the lower allocation. The department expects to receive the same funding in 2004-05 as in 2003-04.	-	-	(1,794,209)	1,794,209
3. Decrease in interest revenue Interest revenue decreased due to a lower cash balance in the account because of anticipated used of fund balance.	-	-	(99,000)	99,000
<b>** Final Budget Adjustment - Fund Balance</b> <b>Operating transfers among funds were used to correct fund balances.</b>	-	<b>762</b>	<b>762</b>	-
<b>Total</b>	<b>-</b>	<b>(2,427,311)</b>	<b>(1,892,447)</b>	<b>(534,864)</b>

**\*\* Final Budget Adjustments were approved by the Board after the proposed budget was submitted.**

